



STAFF REPORT

TO: Regional Planning Governing Board

FROM: Jeremy M. Smith, Director

SUBJECT: Presentation, discussion, and possible adoption of the TMRPA budget for Fiscal Year 2022-2023 (AGENDA ITEM 6.A)

This staff report provides the Regional Planning Governing Board (RPGB) with a proposed TMRPA budget for Fiscal Year 2022-23. The proposed budget which includes requested jurisdictional allocations, anticipated revenue from other sources (i.e. shared work programs) and estimated expenditures is included in **Attachment 2**.

BACKGROUND

The funding for TMRPA is outlined in NRS and implemented through an Interlocal Agreement. The three jurisdictions, Reno, Sparks and Washoe County, are responsible for funding the budget of the agency, at a rate equivalent to the number of members on the RPGB; for example, Reno is responsible for 40% of the budget, Sparks and Washoe County are responsible for 30% each. TMRPA also participates in a variety of shared work programs that contribute to the agency's general fund and consulting budgets. Initial discussion with the Board took place during the October 14, 2021 RPGB meeting to begin the conversation about TMRPA's budget well in advance of the local jurisdiction's budget adoption processes. Further information was presented during the Director's report at the December 9, 2021 RPGB meeting. Following those meetings, Director Smith discussed jurisdictional allocation amounts with Reno City Manager Thornley, Sparks City Manager Krutz, and Washoe County Manager Brown.

FY 2021-22 ESTIMATE TO COMPLETE

TMRPA is on track to complete the Fiscal Year 2021-22 with revenues as expected and lower than expected expenditures compared with the adopted budget (**Attachment 1**). Some of the savings from this fiscal year can be attributed to TMRPA staff continuing to work from home on a hybrid schedule and given that situation, we did not fill any part-time technician or intern positions. In the end the payroll line item is estimated to complete at roughly 92% of the budgeted amount. Working from home and emphasis on digital products also led to some savings on equipment usage at the office and office supply costs (e.g. printing and copying).

Costs for professional services such as our legal counsel and bookkeeper remain status quo. Further, we are spending available RPU Implementation funds to support the Natural Resource Plan (NR Plan) data gathering contract with Cardno. We estimate to spend roughly two-thirds of the \$50,000 contract amount

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in the current fiscal year. Given we budgeted spending closer to \$80,000 of those RPU funds this fiscal year, that represents ca. \$48,000 in savings when compared to budget. The NR Plan initiative was identified as a necessary project for the agency to further bolster and refine the natural resources policies and mapping established during the 2019 Regional Plan. Any previously earned yet unused RPU Implementation funds will remain as part of the agency fund balance and will be used to support spending toward the Public Infrastructure Investment Plan (PIIP), NR Plan, and/or Truckee Meadows Annual Report (TMAR) in the next fiscal year and/or before the next Regional Plan update cycle (planned for adoption in Oct. 2024). Possible expenditures of the remaining RPU funds include additional consultant contracts, software and data licensing, and intern support for targeted natural resource or public infrastructure analysis projects.

TMRPA continued the shared work program with the Regional Transportation Commission in the amount of \$60,000. Services provided include support for corridor or area studies, population and employment forecasting for traffic demand modeling and to support the Regional Road Impact Fee program, as well as other GIS services as identified.

TMRPA staff also engaged with staff from the Western Regional Water Commission (WRWC) to assist with the Regional Water Management Plan (RWMP) update. Estimates are on track to realize budgeted revenue from this line item (\$25,000). Tasks completed by TMRPA have included calculation and GIS mapping of future demand for water and sewer service as well as an update to the Regional Water Balance Map found in Chapter 6 of the RWMP. The WRWC also provides \$5,000 to support GIS server licensing annually.

Miscellaneous revenue in the amount of \$5,000 was received to support watershed mapping for One Truckee River. Further, we estimate another ca. \$10,000 can be earned through our grant with the Nevada Department of Environmental Protection in support of data and maintenance of the source water protection tools found at washoecountycleanwater.org. TMRPA intends to leverage our previous work on source water protection as we ramp up engagement on the NR Plan effort, with the intent of bolstering source water protection policy in the Regional Plan.

In total, TMRPA is on track to finish this fiscal year under budget and add roughly \$18,965 to the agency fund balance.

FY 2021-22 ASSUMPTIONS

The proposed 2022-23 fiscal year budget presented here builds on research and conversations conducted since the October 14, 2021 RPGM meeting (**Attachment 2**). As part of every year's budget development, TMRPA staff engages in discussions with the management of the local jurisdictions regarding the amount of the contribution for the coming fiscal year. Following Board direction resultant from the October meeting, TMRPA staff has held conversations with the management of the jurisdictions. As planned, TMRPA has not requested any increase to jurisdictional allocations for Fiscal Year 2022-23. These allocations are as follows: City of Reno - \$331,112, City of Sparks - \$248,164, and Washoe County -

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\$248,164. Director Smith has discussed these amounts with the City and County Managers, and all have agreed this level of funding is acceptable.

Efforts to bolster agency revenue during FY 2022-23 include implementation of a shared services program with the WRWC. In addition to any technical help for the Regional Water Management Plan, TMRPA will assist WRWC staff with project-related tasks such as stormwater infrastructure analysis and mapping, growth projections for water, sewer and/or effluent management demands, graphics and mapping, as well as outreach and communications, as identified.

TMRPA will continue to support Regional Transportation Commission (RTC) planning efforts through a shared work program. TMRPA has engaged in a shared work program with the RTC annually for the past several years to support their long-range planning efforts and technical modeling for projects, and to support updates to the Regional Transportation Plan (RTP). We anticipate funds for the work program this year to match previous years in the amount of \$60,000. TMRPA staff plan to continue conversations with leadership at the RTC to discuss potential future increases to the annual shared work program. Future increases would help establish reliable and dedicated funding for a GIS Technician to support RTC needs and ensure the timely delivery of any agreed upon data or GIS products.

Assumptions considered in the FY 22-23 budget are listed below:

- No increase to jurisdiction allocations in FY 2022-23 (potential allocation increases as needed starting in FY 2023-24)
- Expenditure of about \$50,000 to support work on the Public Infrastructure Investment Plan or NR Plan as identified – directed from RPU implementation funds
- Continued financial support from the Regional Transportation Commission and Western Regional Water Commission as part of Shared Work Programs
 - \$60,000 dollars from the Regional Transportation Commission
 - Up to \$50,000 dollars from the Western Regional Water Commission – estimated for budget purposes at \$25,000
- Up to a 5% merit-based increases for 2 FTEs
- Promotion of one FTE from Regional Planner I to Regional Planner II
- Promotion of one FTE from GIS/Planning Analyst II to GIS Coordinator
- Hiring of interns for GIS and administrative/office support
- Roughly \$103,527 remaining in the agency’s regular fund balance to support potential liabilities such as vacation payouts, health insurance increases (either through enrollment or rate changes), and/or other unforeseen needs
- Roughly \$44,542 remaining in the RPU Implementation fund balance – to be spent on PIIP and NR Plan in FY 23-24

RECOMMENDATION

Staff recommends that the Regional Planning Governing Board discuss the proposed budget, indicate any desired changes, and move to approve the budget as proposed or as augmented through Board discussion.

Proposed Motion

I move to adopt the proposed TMRPA budget for fiscal year 2022-23 as presented in Attachment 2 of the staff report.

Please do not hesitate to contact Jeremy Smith at 775-225-0285 if you have any questions or comments on this agenda item.

Attachments:

Attachment 1 – FY 2021-2022 Estimate to Complete

Attachment 2 – FY 2022-2023 Proposed Budget

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Attachment 1: FY 2021-2022 Estimate to
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ATTACHMENT 1 – FY 2021-2022 Estimate to Complete

	Budget FY 2021-2022 (\$)	July 1, 2021 through Mar. 1, 2022 (\$)	\$ Needed to Complete Year	Estimated total \$ at Year End	% Estimated \$ At Year End Against Budget
REVENUE					
City of Reno - IA	331,112.00	248,334.00	82,778.00	331,112.00	100%
City of Sparks - IA	248,164.00	186,123.00	62,041.00	248,164.00	100%
Washoe County - IA	248,164.00	186,123.00	62,041.00	248,164.00	100%
WRWC - Minute Taker	4,000.00	2,260.50	1,130.25	3,390.75	85%
RTC - Shared Services Program	60,000.00	30,000.00	30,000.00	60,000.00	100%
Miscellaneous Revenue	15,000.00	5,000.00	10,000.00	15,000.00	100%
WRWC Shared Services	25,000.00	18,572.00	6,428.00	25,000.00	100%
Total REVENUE	931,440.00	676,412.50	254,418.25	930,830.75	100%
EXPENDITURES					
Payroll	632,690.36	379,867.46	204,895.10	584,762.56	92%
Professional Services	274,208.00	109,516.85	117,771.36	227,288.21	83%
Services and Supplies	120,000.00	60,042.39	39,272.34	99,314.73	83%
Outside Services	0.00	500.00	0.00	500.00	
Total EXPENDITURES	1,026,898.36	549,926.70	361,938.80	911,865.50	89%
Net Income	(95,458.36)	126,485.80	(107,520.55)	18,965.25	
Beginning Fund balance (July 1, 2021)				222,016.29	
Estimated change in Fund Balance				18,965.25	
Remaining RPU Implementation Funds				94,542.16	
Estimated Ending Fund Balance (July 1, 2022; Includes Remaining RPU Implementation Funds)				240,981.54	

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Attachment 2: FY 2022-2023 Proposed
Budget

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ATTACHMENT 2 – FY 2022-2023 Proposed Budget

	Proposed Budget FY 2022-2023(\$)	Notes
REVENUE		
City of Reno - IA	331,112.00	
City of Sparks - IA	248,164.00	No change from last fiscal year
Washoe County - IA	248,164.00	
WRWC - Minute Taker	4,000.00	
RTC - Shared Services Program	60,000.00	Existing shared services agreement
WRWC - Shared Services Program	25,000.00	New shared services agreement
Miscellaneous Revenue	15,000.00	
Total REVENUE	931,440.00	
EXPENDITURES		
Payroll	664,527.09	5 full time staff salaries and benefits, part-time GIS interns
Professional Services	226,500.00	Includes spending \$50,000 of remaining RPU funds
Services and Supplies	133,325.00	Data services and purchases moved from Professional Services line
Total EXPENDITURES	1,024,352.09	
Estimated Net Income FY 22-23	(92,912.09)	Estimate of revenue minus expenditures
Estimated Beginning Fund Balance (July 1, 2022)	240,981.54	Large fund balance reflects \$94,542 in RPU Implementation funds remaining
Estimated Beginning Fund Balance Excluding Remaining RPU Funds	146,439.38	
Estimated Change in Fund Balance	(92,912.09)	\$50,000 from RPU Funds; \$42,912 from Regular Agency Fund Balance
Estimated Ending Fund Balance (July 1, 2023)	148,069.45	Total includes \$44,542 RPU Funds and \$103,527 Regular Agency Fund Balance